



# **CAPITAL GOODS SKILL COUNCIL (CGSC)**

## **EXPRESSION OF INTEREST TO DEVELOP DETAILED PROJECT REPORT (DPR) TO SET UP MULTI-LOCATIONAL NATIONAL INSTITUTE OF MANUFACTURING TECHNOLOGY FOR TRAINING, EDUCATION AND RESEARCH.**

April 5, 2016

### **OVERVIEW**

#### **1. Project Background and Description**

**Capital Goods Skill Council (CGSC)** is a Not-for-Profit Organization, registered under the Societies Registration Act, 1860. The Council has been promoted by the Federation of Indian Chambers of Commerce and Industry (FICCI) and Department of Heavy Industry (DHI), Government of India, with financial support by National Skill Development Corporation (NSDC). The key objective of the CGSC is to create a robust and vibrant eco-system for quality education and skill development in the Capital Goods Sector in the country.

The mandate for the CGSC is:

- Carry out a Functional and Occupational Mapping and develop a Catalogue of Industry Occupations / Job Roles in the Capital Goods Sector.
- Develop & Set National Occupational Standards for select Job Roles in the Sector.
- Develop & Put in place an Assessment & Certification mechanism for the Trainers, Assessors and Trainees.
- Develop and put out an Affiliation / Accreditation system for Training Institutes to deliver competency based training as per content and curriculum developed based on the NOS.
- Promote academies of Excellence.
- Put in Place an Effective Labour Market Information System.

A Memorandum of Understanding (MOU) signed between Ministry of Skill Development and Entrepreneurship (MSDE) and Department of Heavy Industry (DHI) on strategic partnership, envisages developing an multi-locational “National Institute of Manufacturing technology (NMIT)” for training, education and research by leveraging infrastructure and facilities of PSUs under DHI; creation of “Centers of Excellence” in different categories by utilizing / upgrading of existing training facilities of PSUs under DHI in collaboration with NSDC/SSC and /or DGT. This is likely to impact 5 million people directly or indirectly through eco-system creation.

The NIMIT will focus on manufacturing technology excellence to promote research, education and manpower training, provide an enabling eco-system for the “Make in India” program along with existing and new institutes, global technology leaders and meaningful industry associations.

Attention is also drawn to the concept note of NIMIT prepared under the aegis of MSDE a copy of which is enclosed for reference only.

#### **2. Project Scope**

The agency preparing the DPR to set up National Institute of Manufacturing Technology would carry out widespread consultations with all stakeholders and prepare the DPR within six (06) months from date of work order. . The DPR



should clearly bring out inter alia, fund requirement, skill gap, courses and infrastructure requirement. It should also identify the existing institutions which can support the endeavor leading to greater synergies and rationalization of cost.

The project would be executed in multiple phases, where phase 1 will be confined to Capital Goods Sector with scope of extending the project to other sectors, viz, Defence and Aerospace.

### 3. High-Level Requirements

The DPR must include:

#### **Setting Up**

- Need, mission, scope and outcomes of the proposed NIMT.
- Definition of Centre of Excellence and its components including complete design,.
- Details of the components of NIMT viz; Training, Education and Research, .
- An inventory of training infrastructure including polytechnic and engineering colleges and other eco-system to including Master Trainers, Trainers and Assessors already available in the country.
- Requirement of additional improvements, where necessary in the existing inventory, in order to make the concept of NIMT successful.
- Details of possible international partners who would be willing to partner to add value to the outcomes of NIMT.
- Suggested method of aligning all the existing curriculum and course ware to NSQF based on National Occupational Standards
- Design of Monitoring and Evaluation system of NIMT, including identifying the type of IT infrastructure required for this purpose.

#### **Organizational Aspects**

- Details of the Governing, Monitoring and Organizational Structure including job descriptions of human resource required.
- Details of the organizational and operational hub and spoke model consisting of central and regional hubs and spokes spread across various manufacturing clusters across the country.
- Roles and responsibilities of Central and Regional Hubs and the spokes.
- Design of operationalizing of NIMT including sustainability,.
- Break down of the phase 1 of the project into smaller milestones leading to full scale-up for Capital Goods Sector.
- Method of integrating the next phases of the project to include other sector viz, Defence and Aerospace.

#### **Financial Assessment and Implication**

- Requirements of funds, and suggested financial / revenue models for setting up the NIMT leading to self-sustainability of phase one.
- Quantum of funds that will be required to set up and operationalize the follow up phase.
- , Minimum Economic /viable Size vs recommended size of NIMT



- Sensitivity analysis for factors like revenue streams, faculty, students, funds, expenditure schedules, market conditions, etc
- Financial proposal with IRR, RoI and other parameters to assess the project financially viz:
  - Key assumptions
  - Balance Sheet
  - P&L Statement
  - Cash Flow Statement
  - Revenue Schedules
  - Assumptions – Revenue
  - Impact with reference to beneficiaries
  - Operational Expenses
  - Assumptions – Capex – Opex
  - Assumptions – Expenses
  - Depreciation
  - Capex
  - Taxes
- Likely impact analysis on industry, trainees, NIMT, society, catchment area, Govt revenues, Govt exchequer etc,
- Implementation schedule PERT chart with tasks, allotted resources, timelines and milestones for project monitoring.
- Any other connected points

#### **4. Broad Method of Selection of Partners to develop DPR**

An expert panel constituted by CGSC will select the potential partners to develop the DPR. The broad selection criteria will be:

Late and incomplete applications will not be entertained.

##### ***Technical Criteria***

All bids received on time will be opened. Incomplete bids will be rejected. In case of complete bids, 70 percent weightage will be given to the technical expertise of the partner in terms of relevant experience in similar work (30 % weightage), experience and capacity of human resource to be employed on this project (30% weightage) and the technical presentation (10% weightage). Each member of the panel will evaluate this on a pre-defined matrix.

##### ***Financial Criteria***

Financial bids of only the eligible applicants will be opened. 30 percent weightage will be given to all the DPR cost inclusive of all applicable taxes expressed in lump sum. (30% weightage will be given to the lowest bid and others on pro-rata basis). Each member of the panel will evaluate this on a pre-defined criteria.

##### ***Final Selection***

The final selection of the partner will be based on the score of the above two criteria. The decision of the selection panel will be final and binding.



## 5. DPR Methodology

An expert panel constituted by CGSC will select the potential partners to develop the DPR. The broad selection criteria will be:

### **Technical Criteria:**

The research to develop the DPR will have to be both primary and secondary. The stakeholder engagement must cover the geographies of NCR, Mumbai, Pune, Bengaluru, Chennai, Coimbatore, Hyderabad, Ahmedabad, Surat, Rajkot, Ludhiana, Kolkata, Ranchi and other Capital Good hubs and prominent engineering and diploma colleges and training institutions.

Periodic meetings will be held with CGSC to discuss initial draft design, draft report and final report or as and when required for any course correction.

The selected agency / consultant will get approval of its detailed methodology and concept paper, before starting the work. Draft methodology and concept will have to be agreed with CGSC panel. Final presentation will be made to CGSC and other stakeholders for approval. Four print copies and an editable electronic copy in MS word / excel will be submitted of the final approved methodology and concept..

The work has to be completed within six months from the date of Work Order.

Milestone based payment mode will be followed which will be mutually agreed between CGSC and the selected agency / consultant.

## 6. Time Schedule

The time schedule will be as follows relating to this request:

Event	Date
Last date to receive the EOI	13 April 2016
1 <sup>st</sup> Meeting with agencies to discuss the project details (Venue in Delhi and time of meeting will be shared separately)	15 April 2016

\*The dates furnished above are subject to revision by CGSC.

## 7. Pre –bid meeting and Expression of Interest

The firms / agencies are required to email the expression of interest to undertake the job of development of “Detailed Project Report” for setting up National Institute of Manufacturing Technology (NIMT) as per the high level requirements given in this document. The EOI should include the following:

- Company Profile
- Details of prior experience if any in similar project in India or abroad.
- Nature of Business
- Number of years in operation
- Details of offices and operational connect in states and regions
- Details of the contact person
- Names of representatives likely to attend the meeting on 15 April 2016.



- Broad estimate of the cost of developing this DPR (this is only indicative and only the financial bid submitted as part of RFP will be taken as final)

The EOI should be signed and emailed in a pdf format to **Mr. IS Gahlaut, CEO, Capital Goods Skill Council** at his email id [inder.gahlaut@ficci.com](mailto:inder.gahlaut@ficci.com).

[The Eoi may be emailed on or before 13 April, 2016.](#)

## 8. General Instructions

- The firms / agencies may send the EOI as Individual Firms or Consortia, giving out the details of the partnership model.
- Must have a Permanent Account Number (PAN) from Income Tax authorities.
- All the communication to CGSC including the EOI shall be signed by the authorized representative of the Firm / Agency / Consortia and authority letter should be attached with the EOI.
- All pages of the EOI must be sequentially numbered and shall be initialled by the Authorized Representative.
- Information which is considers proprietary, should be clearly marked “proprietary” next to the relevant part of the text and it will then be treated as such accordingly.
- No further communication will be done with the Firm / Agency / Consortia who after submitting the EOI do not attend the 1<sup>st</sup> meeting as per schedule.
- The final contract with the selected agency will be as per the guidelines in the GFR.

## 9. Rights of CGSC

- At any time, CGSC may, for any reason, change the date of meeting.
- The amendment will be intimated to all proposers who confirm their intention to participate, by email.
- CGSC may cancel the meeting at any time without assigning any reason.
- CGSC may ask for fresh Expressions of Interest if found necessary.
- CGSC makes no commitments, express or implied, that this process will result in a business transaction with anyone.
- CGSC reserves the right to accept or reject any proposal, and to annul the short listing process and reject all responses at any time without thereby incurring any liability or any obligation to inform the affected parties of the grounds for CGSC's action.

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